

and citizens talk about the important values, as well as the impacts to water, wildlife and recreational opportunities. We also listened to State and local government and tribes and gave them the option to close sensitive lands which are critical to their communities, or to have restraint. Lands that provide, in fact, drinking water supplies.

In Elko, Nevada, the subcommittee received additional testimony from people to understand how important the mining is to those communities in those towns. Let's make it clear. We do not want to put those mining operations out of business. They provide a viable industry to this Nation which has already been substantiated. We gained a better understanding on the ways that industry strives, and they are doing a marvelous job for the most part in being responsible and following regulations which they must comply with.

Many States have already taken initiatives. The committee listened. We have taken amendments which make mineral exploration provisions to benefit an important part of the industry to keep the momentum and the motivation there. We also took changes in title III to set forth strong national standards for mining but make sure that we are not duplicating existing State law and regulations. The subcommittee hearings in Washington also focused on the issue of royalties, which has been much talked about.

Let me address some of those criticisms at this time about it decimating the mining industry. Some of us are old enough to remember Sergeant Friday from *Dragnet*. Remember what he used to say: "Just the facts, ma'am." Well, the facts are this: These are multinational companies that mine in areas throughout the world, and they pay royalties in those countries. They pay royalties in those countries, and they are existing and doing fine, as they are doing fine in this country.

The Congressional Budget Office estimated that the total income subject to the proposed royalty, which I would submit is a work in progress, would average roughly \$1 billion a year. These are public lands. We require the same for oil and gas production. It is a relatively small number when you take into account that the total U.S. mining industry produces \$23 billion each year.

The Congressional Budget Office also estimates that the cost of this legislation, should it become law, would approximately be, with this royalty, \$200 million over a period of 5 years. That is \$200 million over a period of 5 years, a \$23 billion a year industry in this country. We think that is a fair shake for these lands that are owned by all Americans, and it makes a serious opportunity to resolve something that has been contentious for two decades.

The industry will tell you that they want certainty. They don't want the vagaries from administration to administration. They know this is a work in process. They know the issue of roy-

alties are subject to negotiation between us and the Senate as this measure moves on.

So let's be clear about it. This measure, in short, I think reflects a thoughtful and informed process. Did everybody get everything they wanted? No. Is the process still moving along? Yes. We will continue to work with our colleagues of the loyal opposition as we try to endeavor to create a bill that reflects the best interests of America.

Let me quickly respond to the issue of the precious metals. This chart explains it very clearly. The U.S. Geological Survey ranks the import reliance for nonfuel mineral materials. According to the USGS, there are 30 nonfuel minerals on which we are 80 to 100 percent reliant on imports. Simply put, we almost completely import these minerals, as has been stated, rather than produce them domestically.

Now, that sounds worrisome, and the Republicans have noted that. But it is important that we realize that 19 of these 30 minerals, two-thirds of them, are not "locatable" and therefore are not subject to the 1872 mining law. So the reform of this law will have no effect on the production or the imports of those minerals. They will not be subject to the royalty we propose or the environmental standards.

Of the other 11, all but one are simply not available in terms of commercially marketable quantities in the United States. We depend on imports of these minerals. Ones like graphite and rare earths do not exist in deposits where it is economical to produce them or they don't exist on public lands, so they are not subject to the legislation.

So if it ain't here, you can't mine it.

The only mineral among those 30 that are 100 percent import reliant into this country and impacts both the 1872 mining law and that are "locatable" minerals, the only one that is actually located in deposits large enough to be economically produced is fluorspar. Fluorspar. We are dependent upon fluorspar. Now let me tell you what we use fluorspar for: Toothpaste. We get fluorspar from China, Mexico, South Africa and Mongolia. We don't need to worry that the cleanliness of our teeth is in jeopardy because of this mining law.

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The last time I checked, tooth decay, while distasteful, is not a national security issue. I ask that we support this measure.

The CHAIRMAN. The Chair will note that the gentleman from New Mexico has 16 minutes remaining and the gentleman from West Virginia has 15½ minutes remaining.

Mr. PEARCE. Mr. Chairman, my good friend from California said we want to get the facts right; and if I heard him correctly, he said this bill is a work in progress. Now, we've had 135 years, according to him, to work on this bill, and we're going to rush it while it is still in progress. I really

don't understand why we're going to take such a serious step as risking all the jobs in mines with work in progress. I think those were the words used and the facts used.

The truth is we have a severe difference of opinion. I will quote from the chairman of the committee: No reason, no reason whatsoever why good public land law should be linked to the gross national product. That was in our markup hearing, and yet I would submit that energy production, timber production, water production, mineral production, they all affect the gross domestic product, and they are public land law.

So I really just believe that we have a complete disconnect in the committee between the majority and minority.

Mr. Chairman, I yield 2 minutes to the gentleman from Kentucky (Mr. DAVIS).

Mr. DAVIS of Kentucky. Mr. Chairman, I have great respect and admiration for my neighbor, the chairman from West Virginia, for work that we've done in our river industries and supporting local industries; but I have to rise in objection to this bill. I think in some ways we might entitle it the Exporting America's Jobs Overseas Act.

I grew up around the American mining industry at the working-class end and got to see it from that side, one of the great transformations that took place during the 1960s, 1970s and 1980s; and I think there are three core issues.

The law needs to be reformed, I agree, to adapt it to a 21st-century economy within which we live. However, the issue of competitiveness, the issue of American jobs and the issue of fundamental social justice all militate against this bill.

First of all, for the Democratic Caucus, from my friends on the other side who are committed to protecting jobs, I think it's amazing that we want to raise taxes on a core industry that's important to our supply chain, for our technology industry, to drive jobs overseas. It's going to increase material costs, increase our dependency on foreign hardrock minerals which has doubled over the last 10 years according to the U.S. Geological Survey.

Secondly, there is a significant impact on jobs. Mining jobs and the mining support and supply chain jobs and industries that support that cannot be replaced by hospitality jobs. That is a flawed logic, in my mind; and it's very critical that we maintain the robustness of this industry as a strategic asset and a strategic resource.

For our future in energy, our future in manufacturing, we have to use the resources that we have in an environmentally friendly way to not only protect our jobs but to grow their jobs.

Finally, I think the one thing I found in trade agreements through the years here in the House, there's always the discussion about a social justice component in establishing trade agreements with countries that may have